

COUNCIL ON PENSIONS AND INSURANCE

AMENDMENT NO. _____

Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 770*

House Bill No. 563

by adding the following new Section immediately before the severability clause and by redesignating the subsequent sections accordingly:

SECTION _____. Tennessee Code Annotated, Section 8-37-104(a), is amended by adding the following as a new subdivision (9):

(9) The board of trustees shall have the power and authority to establish an investment policy to authorize the retirement system to acquire, hold and convey real property for investment purposes. Such acquisitions may be direct, with or without partners, or in a commingled pool, provided, that:

(A) No investment may be acquired which would, at the time of the acquisition, cause the aggregate book value of all of the retirement system's holdings and investments in real property to exceed more than five percent (5%) of the market value of the total assets of the retirement system;

(B) The retirement system cannot acquire real property located in the state of Tennessee, unless such acquisition is in the shares or interests of a regulated investment company, mutual fund, common trust fund, investment partnership, real estate investment trust, or similar organizations in which funds are commingled and investment determinations as to which properties to purchase are made by persons other than the board;

97867551

97867551

004932

00493295

COUNCIL ON PENSIONS AND INSURANCE

AMENDMENT NO. _____

Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 770*

House Bill No. 563

(C) The board shall establish limitations on the percentage of ownership that the retirement system may hold in individual real estate properties; and

(D) The investment policy adopted by the board pursuant to this subdivision (9) shall be approved by the legislative council on pensions and insurance.

97867551

97867551

004932

00493295